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Government of Saskatchewan

# Annual Report 1980-1981

## Saskatchewan Revenue, Supply and Services

Government of Saskatchewan

# Annual Report For the Year Ending March 31, 1981

# Saskatchewan Revenue, Supply and Services

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# Letter of Transmittal

Hon. W. A. Robbins

**Saskatchewan**
**Revenue, Supply**
**and Services**

**Minister**

November 26, 1981

Hon. C. Irwin McIntosh
Lieutenant Governor
Province of Saskatchewan

May it please your Honor:

I respectfully submit the annual report of the Department of Revenue, Supply and Services for the fiscal year ending March 31, 1981 in accordance with the provisions of The Department of Revenue, Supply and Services Act, 1978.

W. A. Robbins, Minister
Revenue, Supply and Services

# Deputy Minister's Transmittal

**Saskatchewan**
**Revenue, Supply**
**and Services**

**Deputy Minister**

November 26, 1981

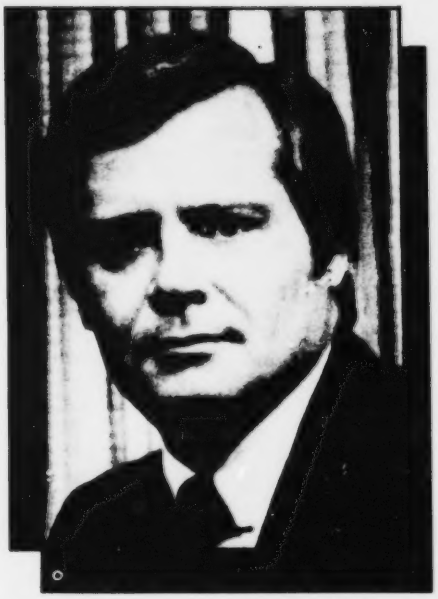
Hon. W. A. Robbins
Minister
Revenue, Supply and Services

Dear Sir:

I have the honor of submitting to you the fourth annual report of the Department of Revenue, Supply and Services. During the fiscal year 1980-81 this Department continued to supply services to the Government of Saskatchewan in the areas of revenue collection, central services and computer systems work.

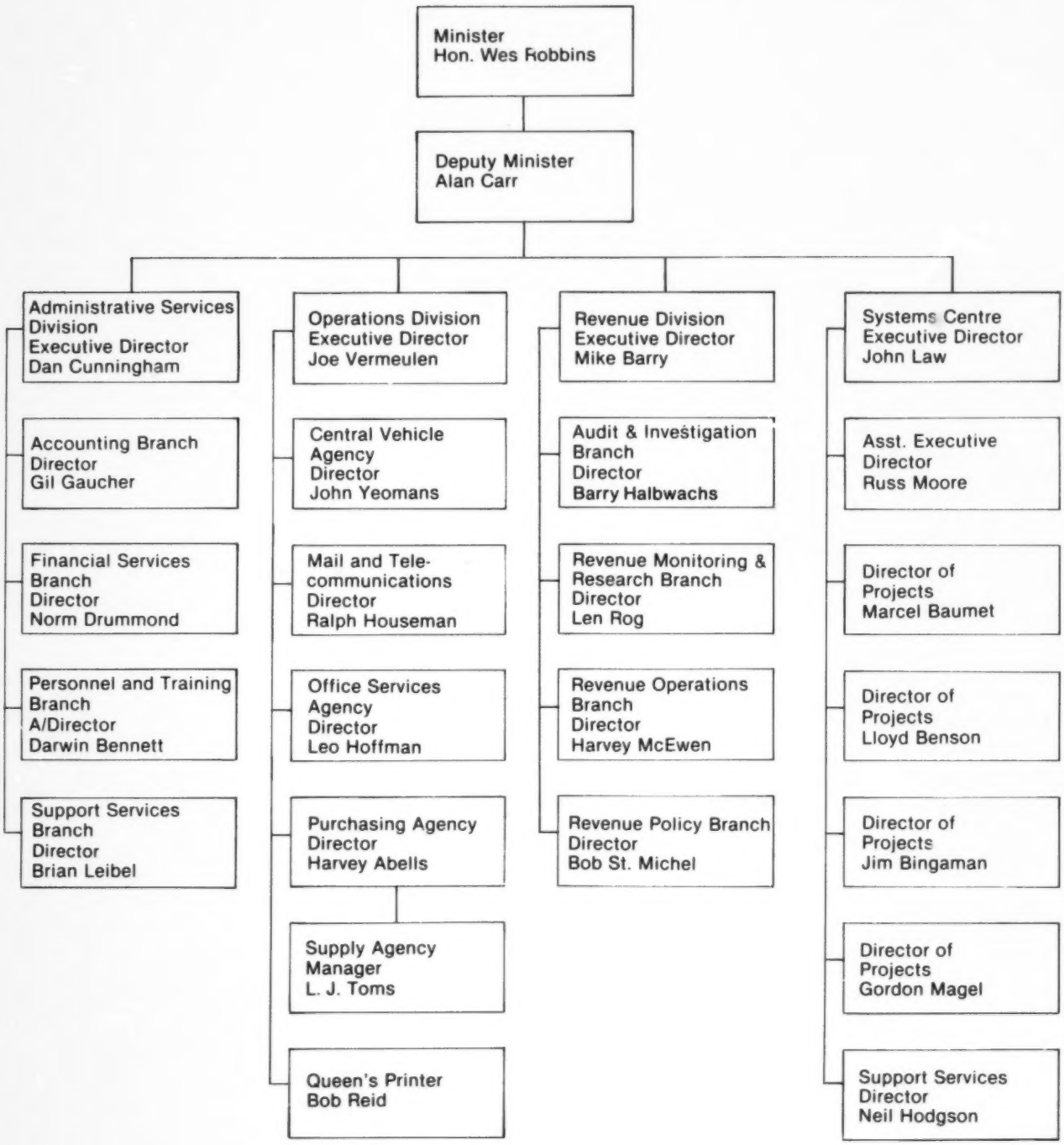
Yours sincerely,

Alan Carr,
Deputy Minister
Revenue, Supply and Services



**Alan Carr**

# Revenue, Supply and Services Organization
# March 31, 1981



# Highlights

1980-81 was a year of change for Revenue, Supply and Services. Changes were made to enhance the Department's ability to supply service, which is its mandate and to meet the oncoming rush of technology.

## Enhanced Service

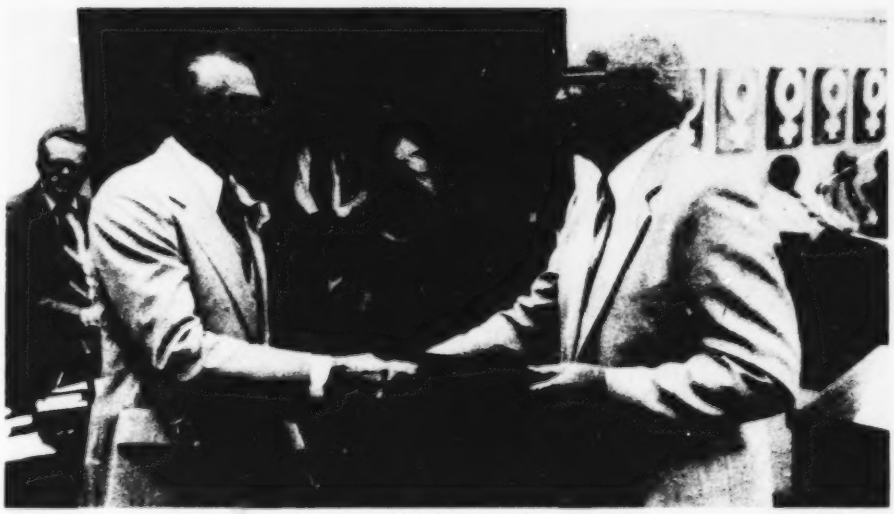
- The Central Vehicle Agency continued its drive for economy. Now, 60% of all passenger vehicles purchased are either compacts or subcompacts.
- The Mail and Telecommunications Branch established a mail room in Weyburn and took over responsibility for the mail room in Swift Current. To save the province money on intra-province, long distance communication the Branch expanded the CENTREX System.
- Revenue Division took on the administration of The Corporation Capital Tax Act and the Capital Gains Tax Rebate Program. During 1980-81 the Division established a Variable Fuel Tax in keeping with similar changes made in other provinces where provincial fuel tax is a percentage of the retail price. The Division also recommended expansion of the exemptions under The Education and Health Tax Act to cover a greater variety of farm machinery and equipment.

## New Technology

- The Department is testing a new computerized payroll system. If the test proves successful, this payroll system will be expanded to cover the entire government.
- During 1980-81 a review of the word processing requirements of the Department was undertaken.
- The Office Services Agency saw enhancement of its capabilities through the acquisition of advanced photographic equipment.
- With technical guidance from Systems Centre, Revenue Division moved into the computer age, 1980-81 saw the installation of an integrated revenue data storage system. Records related to four major tax acts administered by the Division are now in this system.

## Department Operations

- The Administrative Services Division established a new branch. The Financial Services Branch will provide guidance and support information for budgetary planning in Revenue, Supply and Services and its client departments.
- The Personnel and Training Branch established an Affirmative Action Program for women, natives and the handicapped.
- A printing facility was transferred from the Department of Education to the Office Services Agency to consolidate the government's quick-print capabilities.
- At the beginning of the 1980-81 fiscal year Revenue Division was organized on statute grounds. There were separate collection and audit branches for each major tax act. At the end of the year the Division was organized on a functional basis with a single branch for each of the tasks involved in tax administration. This is clearly a more efficient structure and it allows for easy assimilation of additional collection responsibilities in the future.



*Ralph Houseman, former Director of Mail and Telecommunications Branch, is presented with a plaque commemorating thirty-five years of service to the people of Saskatchewan, by the Hon. Wes Robbins. Ralph retired July 31st, 1981.*

# Administrative Services Division

The Administrative Services Division supplies those services to the Department of Revenue, Supply and Services which are necessary for its day to day operations. These services include accounting, financial, personnel and support services.

The Administrative Services Division offers its help to a small group of departments. The Departments of Finance, Intergovernmental Affairs and the Executive Council receive administrative assistance from this Division.

The Division administers the government's Matching Grants for International Aid Program. Money raised by member agencies of the Saskatchewan Council for International Co-operation, for projects in third world countries, is matched by the province. The total funds are then matched by the federal government. In 1980-81, a total of $1.5 million was made in matching grants. In addition, special grants were made to aid victims of civil strife in El Salvador and victims of the Italian earthquakes.

## Proposed Activities

In 1981-82 the Division will take on administrative duties for the Provincial Secretary's Department and the Transportation Agency of Saskatchewan. In order to improve communication within the government and with the public about the Department's services, a new Communications Branch will be established.

The activities of each of the four Branches of the Administrative Services Division for the 1980-81 fiscal year and their proposed activities for the 1981-82 fiscal year are dealt with separately below.

# Accounting Branch

## Responsibilities

The Accounting Branch provides accounting services, overall direction in accounting policy and assists in the development of accounting procedures throughout the Department of Revenue, Supply and Services as well as offering accounting services and advice to client departments.

## 1980-81 Activities

In 1980-81, at the request of the Comptroller's Office, the Branch became involved with a pilot project involving a computerized payroll system. The Branch also began preparation of a financial procedures manual for the Office Services Agency.

## Proposed Activities

The Branch will continue to assist with modifications and improvements to the computerized payroll system with the expectation that this system may be expanded to handle the payroll of the entire government.

*The Accounting Branch of the Administration Services Division furnishes accounting and payroll services to Revenue, Supply and Services as well the Departments of Finance, Intergovernmental Affairs and the Executive Council. Jennifer Smith looks after the payrolls of Revenue Division, Administrative Services Division and the Department of Finance.*

# Financial Services Branch

## Responsibilities

The Financial Services Branch was established in the 1980-81 fiscal year. Its principle task is to supply budget co-ordination for the Department of Revenue, Supply and Services as well as supply advice on budget and related areas to client departments.

## 1980-81 Activities

In 1980-81 the Branch provided budget assistance and public accounts material to Revenue, Supply and Services and its client departments. It also designed an expenditure projection system for Revenue, Supply and Services.

## Proposed Activities

In 1981-82 the Branch will continue developing the system to provide fiscal projections of Department expenditures. The Branch will aid in the development of a uniform planning and budgeting cycle to simplify budget analysis and review for the Department and its clients.

# Personnel and Training Branch

## Responsibilities

This Branch is responsible for providing personnel services to Revenue, Supply and Services and client departments. This includes assisting managers with the staffing and classification of positions, maintenance of personnel records and co-ordination of training programs.

## 1980-81 Activities

The Personnel and Training Branch implemented affirmative action programs for women, handicapped people and natives within the Department of Revenue, Supply and Services.

## Proposed Activities

In conjunction with the Public Service Commission, the Branch will provide management training services in the areas of employee relations, job selection and interviews, and personnel appraisals. It will work to streamline the staffing process in order to shorten the period of time between advertising vacant positions and the first day of work of the successful applicant.

## Statement of Expenditures for the Fiscal Year Ending March 31, 1981

| | |
|---|---|
| Administration | $ 1,893,910.54 |
| Personnel and Training | 139,398.58 |
| Purchasing Agency | 990,861.15 |
| Mail and Telecommunications | 3,676,335.61 |
| Revenue Operations | 2,000,787.54 |
| Audit and Investigation | 1,630,009.95 |
| Revenue Monitoring and Research | 82,281.14 |
| Revenue Policy | 312,260.90 |
| Transfer Insurance premiums for The Automobile Accident Insurance Act | 12,320,219.82 |
| Grants under The Farm Cost Reduction Act | 8,452,422.40 |
| Grants under the Gasoline Competition Assistance Program | 1,357,572.94 |
| Matching Grants for International Aid | 1,500,000.00 |
| Special Grants | 50,000.00 |
| Total | $34,406,060.57 |

*The files in the Personnel Branch contain the current employment records of more than 900 government employees in four departments. Hella Irvine is one of the Branch's Personnel Administrators.*

# Support Services Branch

The Support Services Branch is responsible for the acquisition of supplies, equipment, space and furniture, co-ordination of legislative matters and provision of a data entry facility for the Department.

## 1980-81 Activities

In 1980-81 an administrative procedures manual was introduced and the Branch was also involved with a study to determine the need for word processing systems.

## Proposed Activities

The Branch will co-ordinate the introduction of departmental word processing centres in three locations, within the Department. The Branch will also begin planning geographic consolidation of the Department anticipated in 1982.

## Matching Grants for International Aid — 1980/81

| Agency | Number of Grants | Total Amount of Grants |
|---|---|---|
| Canadian Catholic Organization for Development and Peace | 64 | $ 301,956 |
| Canadian Crossroads International | 1 | 15,000 |
| Canadian Friends Service Committee | 2 | 1,945 |
| Canadian Lutheran World Relief | 9 | 143,850 |
| Co-operative Development Foundation | 6 | 12,944 |
| CANSAVE | 5 | 62,225 |
| CUSO | 8 | 29,685 |
| Disciples of Christ Church | 1 | 950 |
| Food for the Hungry | 1 | 10,300 |
| Foster Parents Plan of Canada | 7 | 193,112 |
| Leprosy Mission of Canada | 2 | 37,075 |
| Mennonite Central Committee | 7 | 266,253 |
| Organization for Rehabilitation Through Training | 1 | 25,000 |
| OXFAM | 9 | 28,062 |
| Presbyterian World Service and Development | 6 | 11,540 |
| Unitarian Service Committee | 9 | 45,248 |
| United Church of Canada | 9 | 74,517 |
| UCC/PWRDF Presbyterian World Relief & Development Fund | 2 | 18,720 |
| UCC/PWRDF/PWSD | 1 | 23,789 |
| World University Service of Canada | 1 | 4,699 |
| WORLD VISION | 3 | 129,280 |
| World Vision of Canada | 2 | 2,800 |
| YWCA | 1 | 4,950 |
| | | $1,443,900 |
| Developmental Education | | 36,100 |
| Administration | | 20,000 |
| | | $1,500,000 |

# Operations Division

Operations Division is a group of agencies and branches which supply services to government departments and in some cases, the province's Crown Corporations. These services include: land and air transportation, mail and telephone services, quick print and special printing services, government purchasing, official government publications and office supplies.

## Central Vehicle Agency

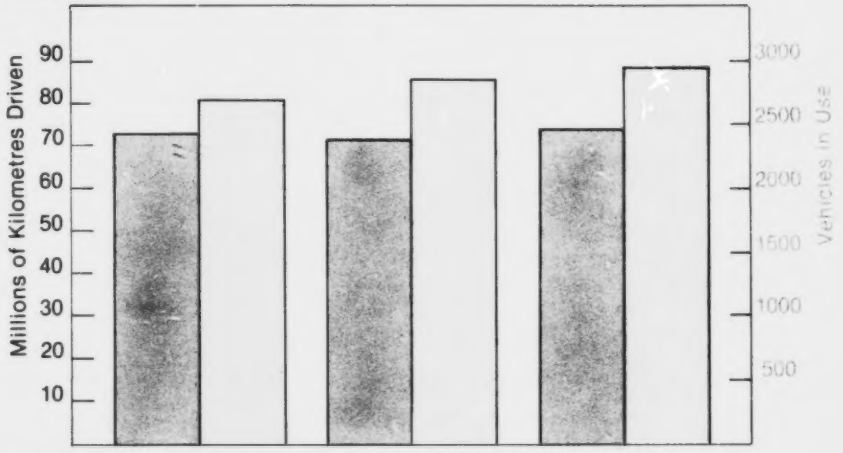
### Responsibilities

The Central Vehicle Agency (CVA) provides land and air transportation to public agencies. CVA supplies vehicles authorized by the government or in the case of the province's Crown Corporations, their Boards of Directors. It also maintains a Regina vehicle pool for out-of-town travel and provides executive air transportation and an air ambulance service.

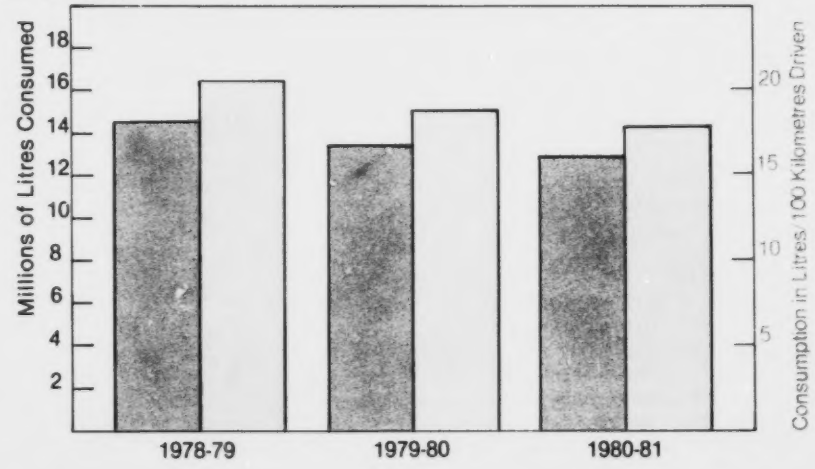
Through liaison with user agencies and manufacturers, CVA develops specifications for vehicle purchases, ensuring the fleet meets program needs in a cost-effective manner. The Agencies' costs are recovered by charging users for services rendered.

*In order to maintain its fleet of four aircraft CVA employes a team of trained airplane mechanics. Two of these mechanics are Walter 'Rusty' Stevenson and Charles Briden.*

**Vehicles in Use**




**Fuel Consumption**



## 1980-81 Activities

A new accounting and management system to provide better financial control and management information was successfully introduced.

CVA's contribution to the government's energy conservation program showed excellent results. The total distance travelled by government vehicles in 1980-81 was up 2.7 million kilometers over the previous year, while total fuel consumed was down 400,000 litres.

The 1980-81 vehicle purchase introduced 60 subcompact sedans into the fleet; four had been purchased in the previous year on a trial basis. In total, 60% of the passenger cars purchased were either compacts or subcompacts.

A new evaluation system which takes a vehicle's fuel consumption rating into consideration when purchasing vehicles was introduced, using Transport Canada fuel consumption ratings. Now, an estimate is made on the fuel cost of driving a vehicle for four years. It is then added to the bid price submitted by the automobile manufacturer, to arrive at an estimate of cost of operation for a vehicle's lifetime in the fleet.

In the past, the Agency has included in its annual purchase vehicles for Saskatchewan Power, SaskTel and the Saskatchewan Potash Corporation enabling these Crown Corporations to take advantage of volume buying. In 1980-81, this service was extended to the Department of Highway's Northern Construction Advance Account.

## Proposed Activities

The percentage of small cars in the fleet will continue to increase in 1981-82. The streamlining of vehicle specifications will produce further savings by reducing the variety of vehicles purchased.

Data collected by the new computer system will be used for vehicle fleet management in such areas as accident statistics, major component failures and relative operating costs of the different makes and models.

Aircraft maintenance and repair capabilities at the Regina hangar will be expanded, with special emphasis in the field of aviation electronics, reducing dependence on out-of-province repair facilities.

# Mail and Telecommunications Branch

## Responsibilities

The Mail and Telecommunications Branch is responsible for co-ordinating the government's mail and telephone requirements. It picks up government mail from the Canada Post Office, sorts and delivers it to 147 locations in Regina and 23 in Saskatoon. The Branch also carries inter-office mail between government departments and agencies, and processes as well as delivers all out-going mail to the Canada Post Office. In addition, the Branch maintains a special delivery service for senior officials and provides all departments and agencies throughout the province with postage stamps, meter postage and postage equipment.

The Branch co-ordinates telephone installations in Regina and Saskatoon, publishes the Government's telephone directory and co-ordinates revisions to SaskTel's directory listings for the Government of Saskatchewan. To ensure maximum efficiency in the government's telephone system, the Branch provides consulting services for CENTREX telephone system users and recommends equipment to satisfy their requirements.

## 1980-81 Activities

During 1980-81, the Mail and Telecommunications Branch handled over 11,650,000 pieces of regular mail plus 6,900,000 pieces of inter-office mail. This is an increase of 3,150,000 pieces of mail in total over 1979-80.

The Branch established the Weyburn provincial mailroom in Pepper Tower and assumed responsibility for the central mailroom in the E. I. Wood Provincial Building in Swift Current.

The capacity of the government's long distance service was increased between Regina and Saskatoon without charge to all CENTREX phone users by increasing the number of available tie lines. In addition new long distance service without charge for CENTREX users was established by tie lines between Saskatoon and Prince Albert, and between Prince Albert and La Ronge. This provides the second step for a provincial government telecommunications network; the first step being the initial establishment of long distance service without charge between Regina and Saskatoon.

## Proposed Activities

The Branch will assume responsibility for the new SL1 Telephone System in Prince Albert while continuing to provide service to departments not in the McIntosh Mall. It also will undertake a study into existing province-wide telephone systems and the future direction of intra-government telecommunications. Consideration will be given to the computerized publishing and updating of the government directory.

*Lloyd Scott is one of Mail and Telecommunications' drivers. The Branch operates vans in Regina and Saskatoon to carry inter-office mail as well as mail to and from the Federal Post Office.*

# Office Services Agency

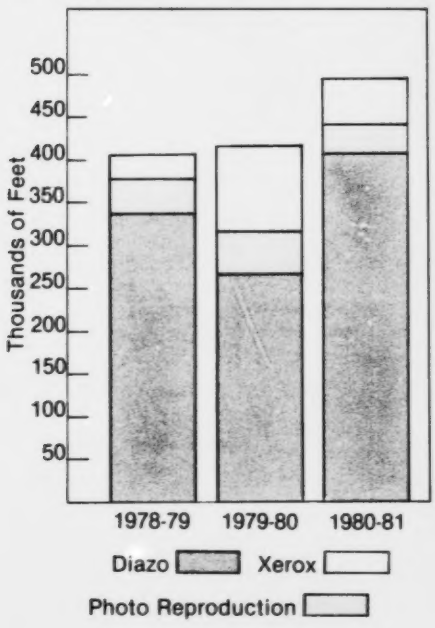
The Office Services Agency provides a variety of print services to government agencies. These include: offset and xerographic printing, typesetting, photographic reproduction, dry printing, addressing and mail preparation. The Agency co-ordinates the acquisition of photocopy equipment for all departments and agencies of the government and ensures that such equipment is used in a cost effective manner.

The Agency provides central photocopying services in those areas where it is uneconomical for offices to have individual machines. Office Services operates as an Advance Account, recovering the costs of its services through charges to its clients.

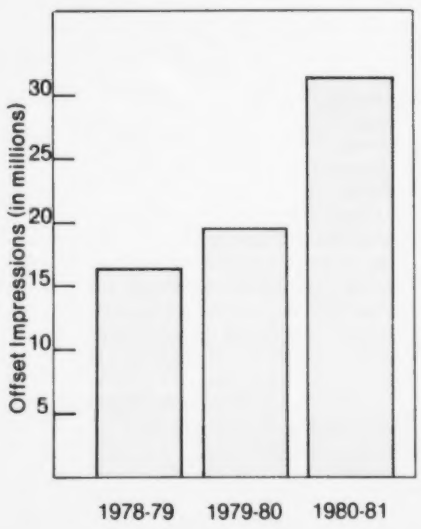
## 1980-81 Activities

During the year, there was continued enhancement to the Agency's facilities and capabilities. This included installation of advanced photographic equipment and the transfer of authority for the Department of Education's printing plant into the Office Services unit. A production control system was introduced and the development of standard pricing techniques begun. A complete review of photocopying machine usage was undertaken permitting better use of equipment and more favourable contracts with suppliers and considerable financial savings to the government.

**Photo Reproduction and Dry Printing**




**Offset Printing**

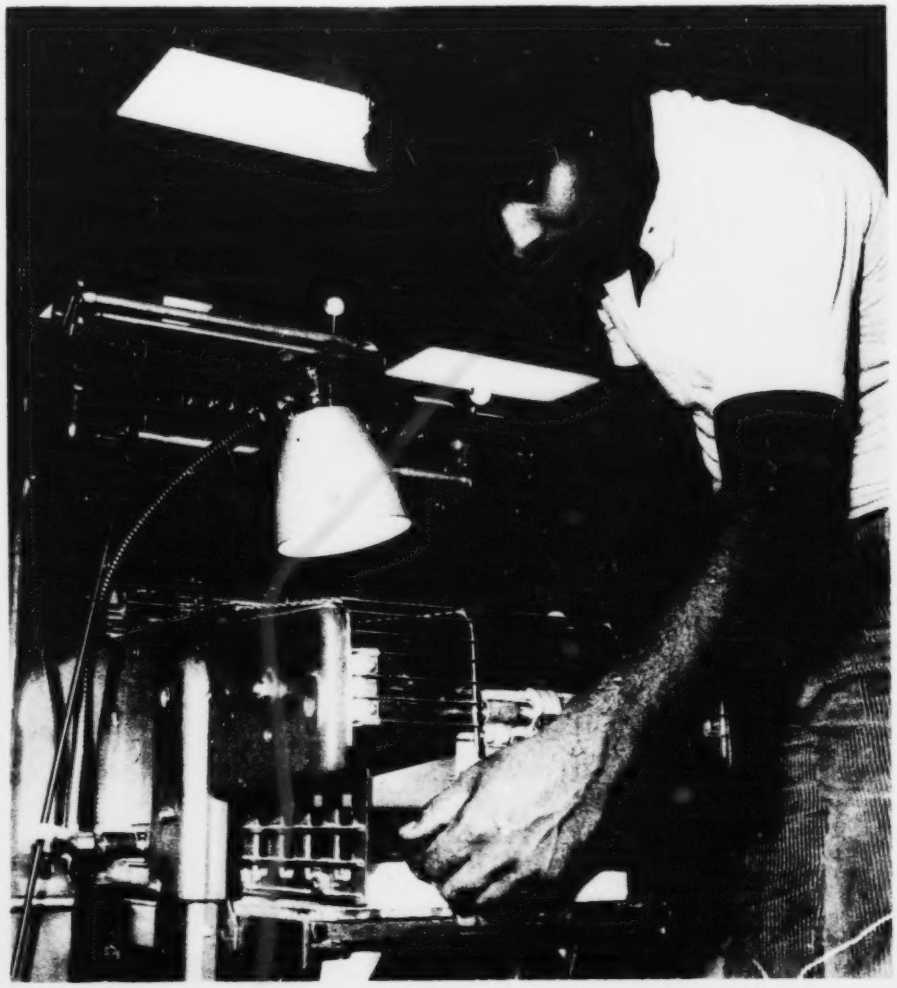



## Proposed Activities

The recently acquired Department of Education printing plant will be physically joined to the print shop located in the T. C. Douglas Building in 1981-82. The Agency will continue to upgrade its equipment and capabilities to meet the increasing demands for its services. To make the benefits of new technology available to its clients, the Agency is equipping the typesetting and addressograph units to interface with word processors and computers through the floppy disc medium. It will permit the phase-out of the antiquated and costly metal plate addressograph system.

The production control system is being extended to ensure that clients receive prompt and satisfactory handling of their orders.

The acquisition process for photocopiers for all government agencies will be developed with a view to introducing a competitive tender process.



*Although Office Services offers a variety of specialized printing services, most of the work done in the print shop is offset printing. Jewan Beharry is one of the Agency's offset press operators.*

# Purchasing Agency

## Responsibilities

The Purchasing Agency is responsible for the acquisition of all supplies and equipment, including printing requirements, for all government departments and agencies. The disposal of surplus or obsolete items is conducted by the Sales and Salvage Section of the Agency.

## 1980-81 Activities

The Purchasing Agency continued to direct its attention to improving service to client departments through the consolidation of standing purchase orders either within a department or on a government-wide basis. This method of negotiating combined orders contributes the greatest savings while providing departments with a flexibility and access to widely used items without the further involvement of the Purchasing Agency.

The Purchasing Agency attempts to give every potential supplier the opportunity of selling to the government. It continues to enlarge its list of registered suppliers. To this end, a booklet entitled "Selling to the Government of Saskatchewan" was produced and is available to all potential suppliers, with the greatest emphasis placed on Saskatchewan businesses.

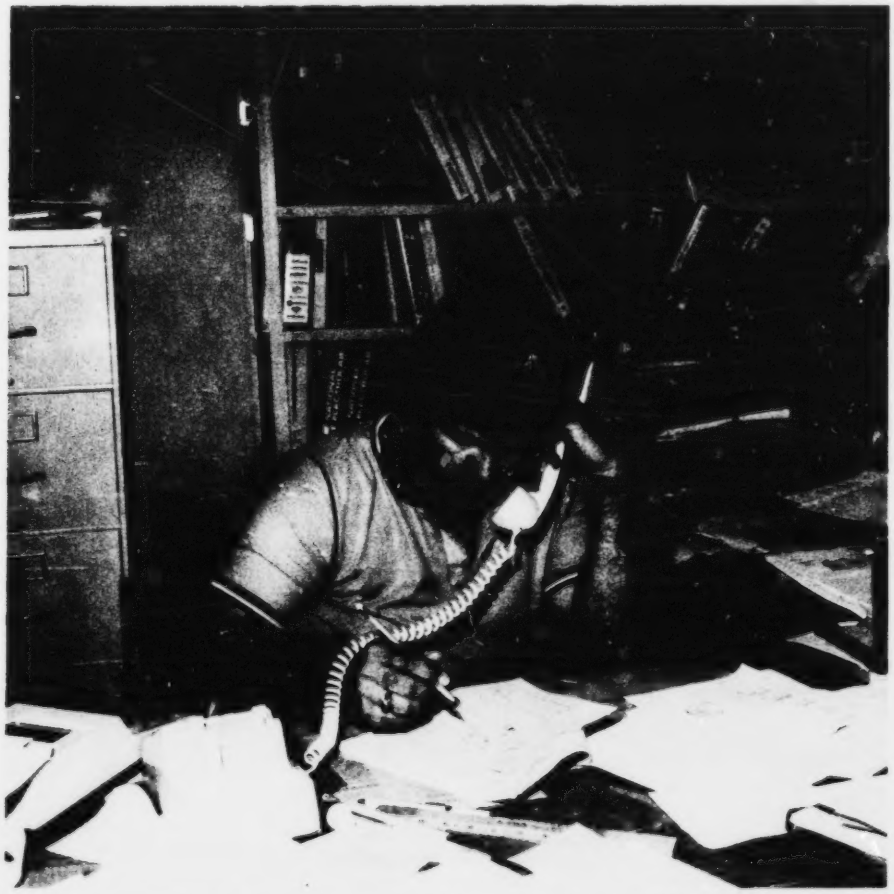
Print Procurement has been restructured to operate by the competitive tender process in order to derive the greatest savings for client departments and the government as a whole. The Print Procurement section is available to provide guidance and expertise in this specialized field.

In the area of Sales and Salvage, a greater emphasis was placed on visits to locations outside Regina in order to evaluate surplus assets for disposal.

## Proposed Activities

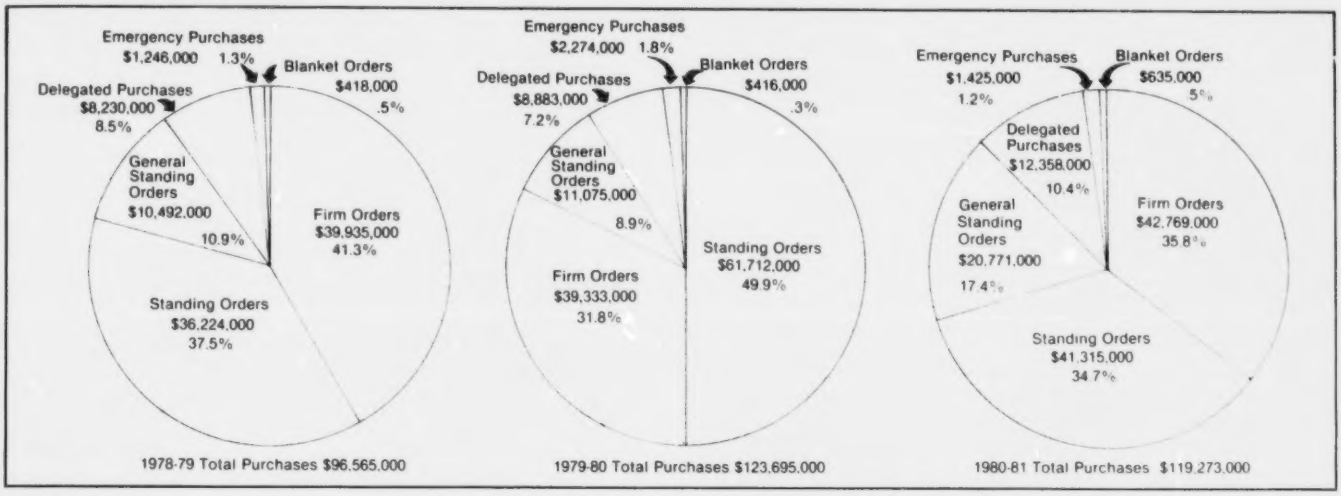
The Purchasing Agency will continue its endeavours to improve the service to client departments. The turn around time from requisition to purchase order will receive special attention. Improved communications with departments will provide a more complete understanding of department needs by the agency as well as a better understanding of purchasing regulations by client departments.

Sales and Salvage's greater mobility throughout the province will enable it to evaluate and prepare dormant assets for sale, thereby, providing greater revenues to the government.

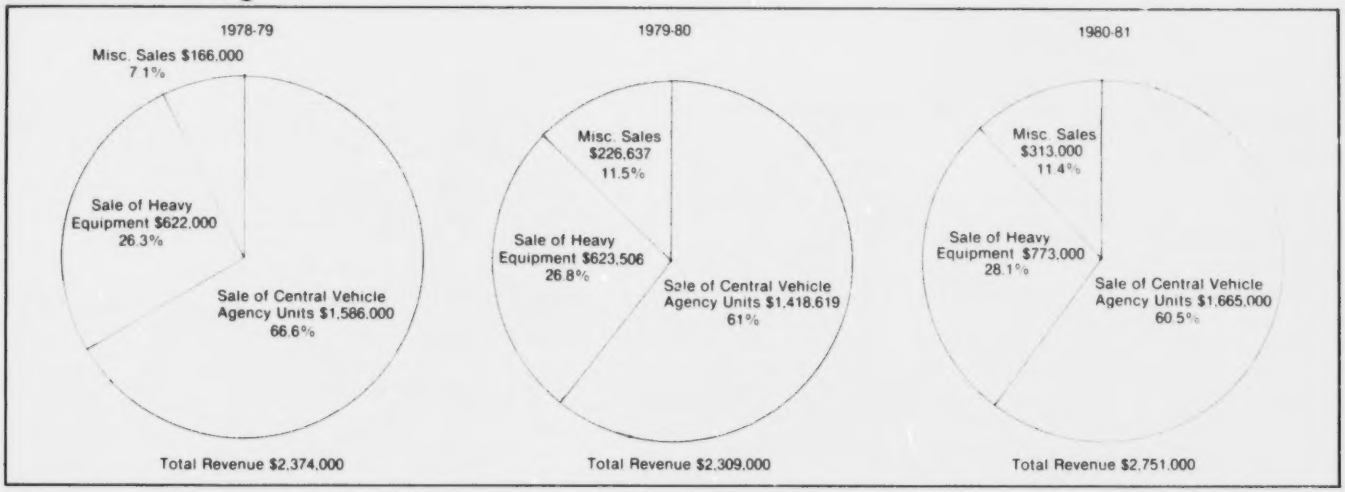


*Each buyer specializes in a particular commodity field and keeps on top of new developments through regular communication with his suppliers. Pictured here is Roy Coomber.*

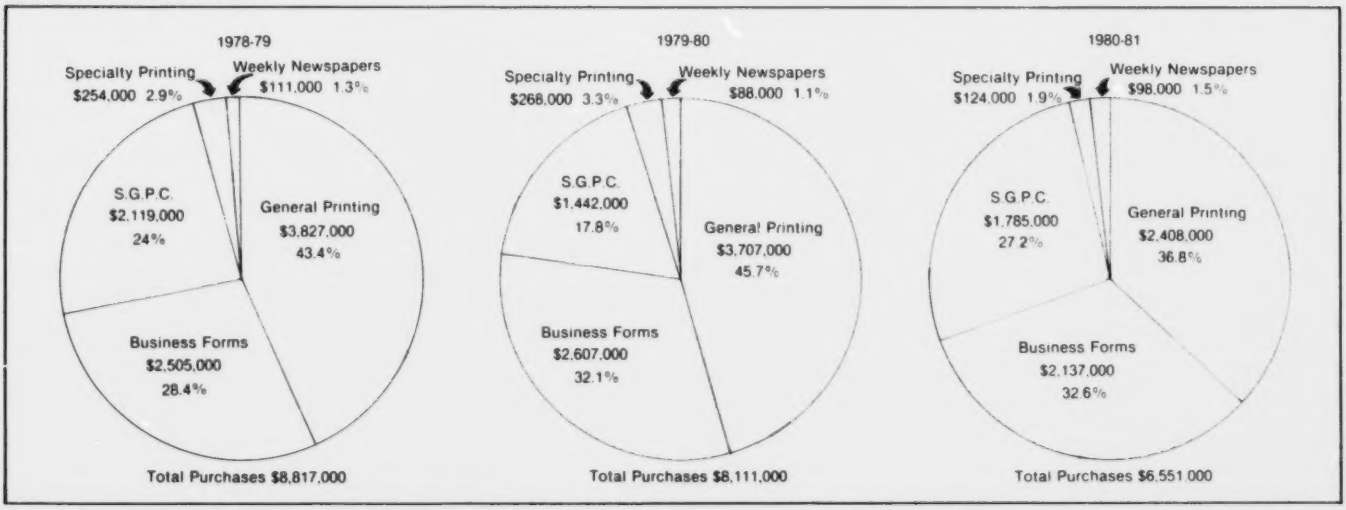
## Value of Purchases




## Sales and Salvage




## Print Procurement



# Queen's Printer

## Responsibilities

The Queen's Printer is responsible for publication of **The Saskatchewan Gazette**. An additional duty encompasses publication of the Acts and Regulations of the Legislature, **The Rules of Court** and other miscellaneous official publications. Distribution of this latter group is carried out by the Acts and Publications unit of the Supply Agency, over which the Queen's Printer exercises functional authority.

The Queen's Printer also provides technical advice and support to the Director of Purchasing in respect of the Purchasing Agency's Print Procurement activities.

## 1980-81 Activities

A new pamphlet act updating process, based on xerographic reproduction, was implemented resulting in savings to both customers and the Queen's Printer. This was done with the assistance of the Purchasing Agency's Print Analyst.

A new loose-leaf updating service for **The Rules of Court**, developed by the Attorney General's Department, was made available to the public. A survey was conducted, in co-operation with the Legislative Council and Law Clerk, to determine the feasibility of introducting loose-leaf consolidation of the Saskatchewan Regulations.

## Proposed Activities

A revised pricing policy for **The Saskatchewan Gazette** will be developed for approval. A manual of procedures will be developed for the guidance of the Acts and Publications staff. The first volume of **The Revised Regulations of Saskatchewan** will be made available to the public. A comprehensive publishing policy will be developed with a view to improving the cost-benefits of all the government's publishing activities.

---

# Supply Agency

## Responsibilities

The Supply Agency provides the most commonly used office supplies to public agencies and Crown Corporations. An inventory of selected items is maintained and a catalogue is published giving descriptions and prices of all stock. Additionally, the Agency distributes and maintains an inventory of **The Statutes of Saskatchewan**, Regulations and other government publications.

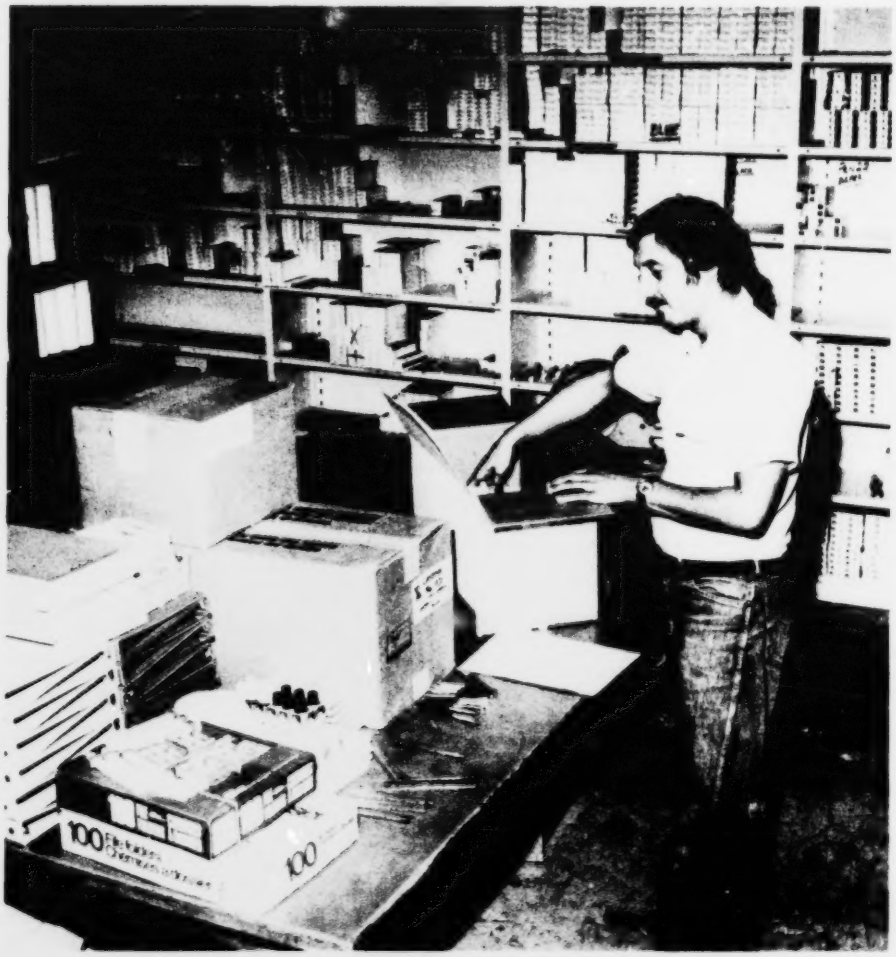
Costs are recovered by charging departments a small surcharge over and above the wholesale price.

## 1980-81 Activities

Major emphasis was placed on re-organizing the existing warehouse. The Acts and Publications unit has been involved in the implementation of a new pamphlet act updating process. Also, a new loose-leaf updating service for **The Rules of Court** was made available to the public.

## Proposed Activities

A study will be conducted with the objective of improving service to public agencies and developing marketing initiatives. Consideration will be given to establishing "retail distribution centres" in major government office complexes.



*Doug Keck of the Supply Agency fills an order at the Agency's warehouse.*

# Revenue Division

The Revenue Division administers Saskatchewan's direct consumption taxes and selected miscellaneous revenue sources and reviews and monitors all provincially collected revenue. It is estimated that the Division makes more than one-half million contacts with the people of Saskatchewan each year.

In 1980-81, the Division collected approximately $500 million in taxes and other levies. The major sources of revenue were: Education and Health Tax, $269 million; Gasoline Tax, $98 million; Motor Vehicle Registration Fees, $43 million; Liquor Consumption Tax, $31 million and Tobacco Tax, $29 million. Total administrative expenses were $4.1 million, or less than 1% of the revenue collected.

On March 13, 1980, the Minister of Finance announced the introduction of a Corporation Capital Tax. Effective April 1, 1980 Revenue Division assumed the responsibility of administering this new tax act. In addition, the Division began providing rebates in 1980-81 under "The Saskatchewan Capital Gains Tax Rebate Regulations."

## Re-organization

In 1980, the Revenue Division underwent a major re-organization. Its purpose was to improve the Division's ability to process revenue and to establish a framework for the assumption of additional revenue collection responsibilities.

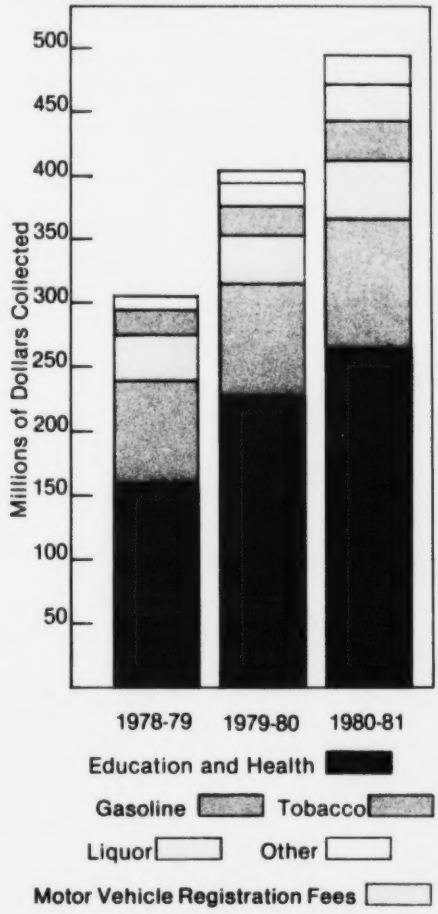
The re-organization involved two major changes:

1. The establishment of a function-based organization to replace the old statute-based structure; and
2. The development of a computer system capable of processing the taxes presently collected by the Revenue Division and capable of integrating additional revenue sources in the future.

The functional organization consists of four Branches within the Division: Revenue Operations, Audit and Investigation, Revenue Monitoring and Research, and Revenue Policy. Two key aspects of this structure are the consolidation of collection and processing activities, and the pooling of audit resources.

The computer-based processing system combined with the function-based organization is expected to result in significant benefits and savings as other revenue collection activities are assumed.

**Revenue Collection**




## Revenue Collection (in thousands of dollars)

| | 1978-79 | 1979-80 | 1980-81 |
|---|---|---|---|
| Education and Health Tax | 157,909 | 228,021 | 269,263 |
| Gasoline Tax | 82,201 | 86,815 | 98,516 |
| Motor Vehicle Registration Fees | 32,369 | 36,672 | 42,611 |
| Tobacco Tax | 21,646 | 23,725 | 29,395 |
| Liquor Consumption Tax* | — | 18,215 | 31,212 |
| Other Revenues | 11,376 | 11,271 | 23,171 |
| **Total** | $305,501 | $404,719 | $494,168 |

*"The Liquor Consumption Tax Act" was brought into effect June 1, 1979.

# Audit and Investigation Branch

The Audit and Investigation Branch is responsible for the development, planning and implementation of comprehensive audit programs. These programs are designed to ensure that taxpayers who remit tax, or who qualify for refunds are treated equitably and in accordance with the statutes and regulations.

In order to meet these responsibilities, the Audit and Investigation Branch develops audit philosophy, programs and procedures, conducts field and desk audits, develops and conducts a post-audit review program, investigates taxpayer complaints and initiates audit action which conforms with the tax statutes, provides assistance and guidance to taxpayers, and liaises with other departments and other provincial governments to ensure that inter-provincial agreements are properly administered.

The Branch is also responsible for enforcement of The Fuel Petroleum Products Act to ensure that marked fuel is not used illegally.

## 1980-81 Activities

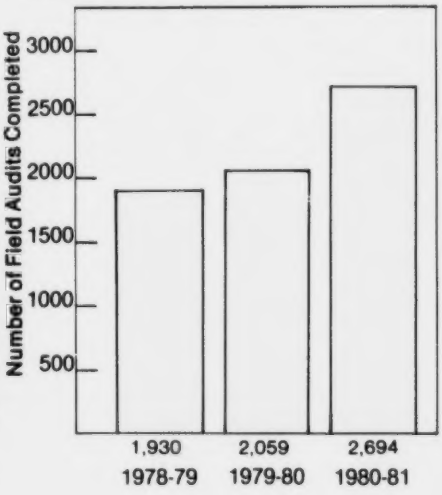
As part of Revenue Division's reorganization, the Audit and Investigation Branch assumed the duties of the audit units for the former Education and Health Tax Branch, Motive Fuel and Tobacco Tax Branch, and Central Revenue Collection Branch. During the 1980-81 fiscal year, the Branch added the audit function for the Corporation Capital Tax and the Capital Gains Tax Rebate Program.

## Proposed Activities

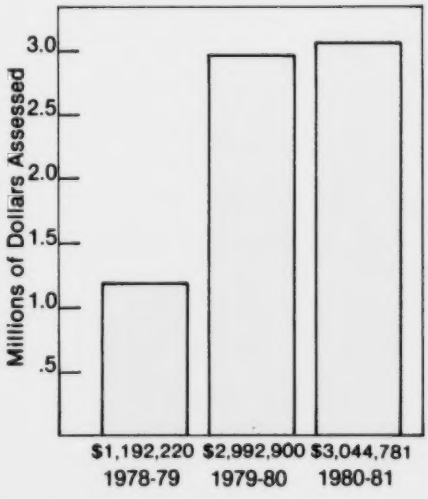
Effective April 1, 1981, the Province entered the Canadian Agreement on Vehicle Registrations which enables inter-provincial trucking companies to pro-rate their registration fees based on the miles driven in each province. Discussions are continuing with other departments, other provincial jurisdictions and the trucking associations concerning joint audit programs for companies operating inter-provincially.

*In the 1980-81 fiscal year the Audit and Investigation Branch completed more than 2500 audits. Above, Regina Group Leader Wolfgang Langenbacher examines a computer print-out of tax payments.*

**Field Audits**




**Total Assessments**



# Revenue Operations Branch

The Revenue Operations Branch is responsible for: processing, depositing and reconciling revenue received from consumption taxes; licensing tax vendors and maintaining a tax roll of vendors who collect and remit taxes; providing information to taxpayers and the general public to assist them in understanding tax, refund and rebate programs; providing an initial collection service for the Revenue Division; operating refund and rebate programs administered by Revenue Division; and maintaining and developing an integrated data base computer system designed to improve revenue collection.

The Branch also maintains five dye injection stations within the province's refineries to colour tax exempt fuel.

As part of the Revenue Division re-organization, the collection, processing and taxpayer service activities from the former Education and Health Tax Branch, Motive Fuel and Tobacco Tax Branch, and Central Revenue Collection Branch have been centralized in the Revenue Operations Branch.

*The employees of the Taxpayer Services Section of Operations Branch help tax collectors solve collection related problems. Gerald Kletzel shows a tax collector the correct way to fill out a return form.*

## 1980-81 Activities

In 1980-81, the Branch began collecting the new Corporation Capital Tax and processed rebates under the "Capital Gains Tax Rebate Regulations." The collection of the Saskatchewan Assistance Plan municipal levy was transferred from Social Services to the Division in January 1981.

With the increased use of computer systems by the Revenue Division, a computer services unit was set up within the Revenue Operations Branch. This unit is responsible for systems development and maintenance, day-to-day processing, output report distribution and liaison between the Division and Systems Centre.

During 1980-81, the first phase of the integrated data base computer system was introduced. The Education and Health Tax, Liquor Consumption Tax, Motive Fuel Tax and Tobacco Tax revenues were converted to the new system.

## Proposed Activities

In addition to the current activities, the Revenue Operations Branch will administer a program which provides grants to Indian bands under the Indian Tax Agreement for Petroleum Products. These grants represent the portion of tax collected on the use of clear gasoline on reserves by Treaty Indians.

### Number of vendors and collectors by major tax type — 1980-81

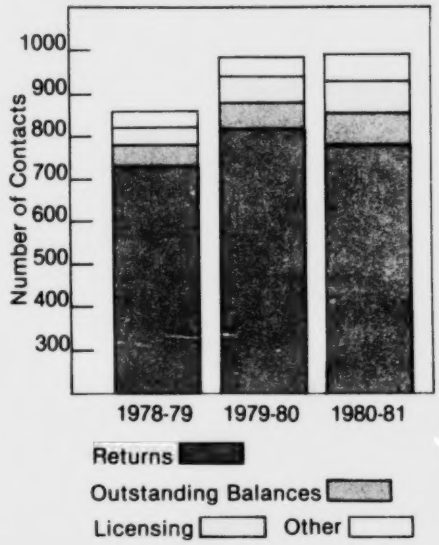
| | |
|---|---|
| Education and Health Tax | 25,041 |
| Liquor Consumption Tax | 1,076 |
| Gasoline Tax | 31 |
| Tobacco Tax | 76 |

### Number and dollar amount of refunds processed — 1980-81

| | Number | Dollars |
|---|---|---|
| Farm Cost Reduction Program | 32,890 | $8,452,422 |
| Gasoline Competition Assistance Program | 112 | 1,357,573 |
| Capital Gains Tax Rebate* | 83 | 211,172 |
| Residential Mobile Home Refund | 285 | 181,062 |

*For the period December 1, 1980, to March 31, 1981

**Taxpayer Services**



# Revenue Monitoring and Research Branch

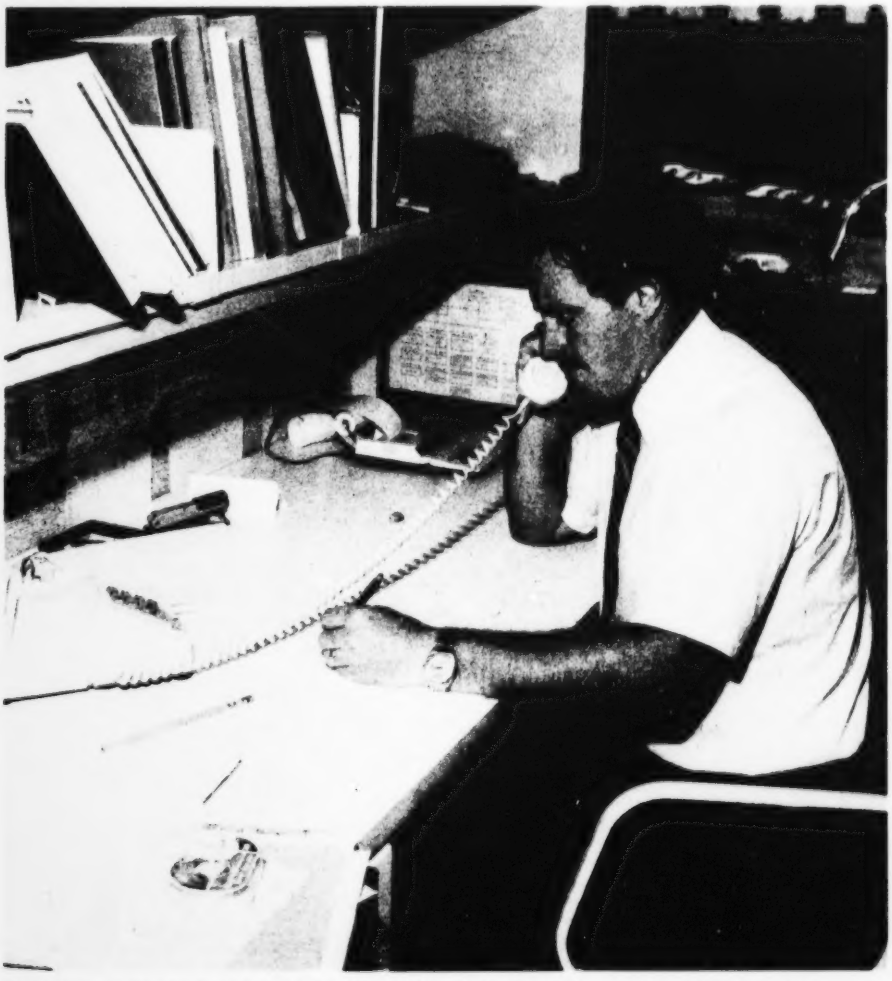
The major responsibilities of the Revenue Monitoring and Research Branch include: reviewing and monitoring the various fees and charges levied by the provincial government; analyzing revenue collection activities within other government departments to determine the feasibility of centralizing these activities; and undertaking research activities. The Branch also reviews Orders-in-Council having fee implications and maintains an inventory of provincially collected revenue sources.

## 1980-81 Activities

In 1980-81 the Branch performed fee level reviews for several government departments and agencies, including Tourism and Renewable Resources, the Land Titles Office and the Queen's Printer.

## Proposed Activities

In 1981-82, the Branch will review approximately 500 individual fees and more than 100 Orders-in-Council.



*The Revenue Monitoring and Research Branch is responsible for reviewing all government revenue sources. Pictured here is Larry Spannier.*

# Revenue Policy Branch

The major responsibilities of the Revenue Policy Branch include: formulating consistent and uniform policies related to the collection of taxes and the provision of rebates and refunds; acting as liaison with the Department of Finance on taxation matters related to programs administered by the Division; monitoring the activities of the Revenue Operations Branch, and Audit and Investigation Branch; and providing approval of interpretations of taxing statutes and rulings. The Branch also acts as a liaison with other jurisdictions in matters affecting taxation programs assigned to the Revenue Division.

## 1980-81 Activities

In 1980-81, the Branch assumed the responsibility for administration and collection policy for the "Corporation Capital Tax" and for the "Capital Gains Tax Rebate Regulations."

Amendments to The Education and Health Tax Act were implemented to expand and update tax exemptions for farm machinery and equipment. Amendments to The Fuel Petroleum Products Act were also introduced which implemented a variable fuel tax in keeping with similar changes in other jurisdictions.

## Proposed Activities

In 1981-82, this Branch will make recommendations for a new legislative package to revise and consolidate The Department of Revenue, Supply and Services Act to incorporate common enforcement procedures from other taxing statutes so that only one act will be amended when enforcement policy is changed in the future.

The Branch in consultation with the Treaty Indian Policy Secretariat will develop a program to provide grants in lieu of taxes to Indian Bands under the Indian Tax Agreement for Petroleum Products.

In 1981-82 the Branch will initiate a special study on the current tax and licence fee pro-rate plans for inter-provincial truckers.

# Systems Centre

The Systems Centre assists government departments and agencies in determining the best methods in solving operational and systems problems as well as undertaking systems developments to introduce improvements. Guiding the Centre is the Systems Review Board which establishes priorities for systems work on a government-wide scale. The size of the Systems Centre is directly related to the priorities set by the Board and the growing importance of computers throughout the Saskatchewan Government.

Systems professionals are in ever increasing demand in Canada. The industry now expects an annual turn-over of 25% to 30%. The turn-over in Systems Centre in 1980-81 was held at 14%. Of the 18 individuals who left the Systems Centre, six accepted positions elsewhere in the government where their experience would continue to benefit the taxpayers of Saskatchewan. Recruiting of Systems professionals becomes a more serious problem each year as demand is significantly greater than supply.

When the Systems Centre is approached by a client to develop a system, it goes through a number of clearly defined stages:

1. Feasibility study — to analyse the problem, identify and recommend alternative solutions.
2. General design — to define how the solution, chosen by the client, will function.
3. Detail design — to translate the new systems requirements into specifications.
4. Development — to construct the new system and verify that it meets specifications.
5. Implementation — the installation of the new system.
6. Evaluation — to measure the performance of the new system to see that it meets its requirements.

*Continuous communication between the Systems Centre and a client department is crucial to the success of a systems project. In this picture Don Schettler is using a flow chart to illustrate the advantages of a proposed system.*

## 1980-81 Activities

In 1980-81 the five largest projects undertaken by the Systems Centre involved the Prescription Drug Plan, the Apprenticeship and Standards System for the Department of Labour, the Labour Service Payroll, a Central Registration System for the Attorney General and improvements in the Public Employees Superannuation System.

The Systems Centre is divided into four project groups; three of these are located in Regina with the fourth in Prince Albert. In addition, the Centre includes a special Support Services Branch whose main concern is the training of employees and the supplying of technical aid to the project groups. The major activities of the project groups for the 1980-81 fiscal year are broken down by client departments and covered below.

## 1980-81 Project Group Activities

The Centre completed a number of projects in the health field:

- In August of 1980 work began on a project involving the Saskatchewan Dental Plan, its objective was to develop a system to provide administrative support and information management.
- After four years of work a new claims processing system was implemented for the Saskatchewan Prescription Drug Plan which was introduced in July of 1980 with three sub-systems implemented in November of 1980.
- As a result of the Systems Centre project the keypunch cards used by the Medical Care Insurance Commission have been replaced by a new processing system which enters, transmits and stores on more efficient magnetic media.

Systems work for the Department of Agriculture:

- A pilot project was developed which gives limited computer access to agriculture representatives and farmers.
- An office automation study was undertaken.
- Because of changes in regulations it was necessary to redevelop the Hog Stabilization System.
- As a result of Systems work it is now possible for implement dealers to receive information on equipment featured in The Prairie Implement Buyers Guide simply by mailing in a business reply card, a new automated addressing system does the rest.

A new large and complex computer program using the highly efficient Mark-4 programming language was developed for the Department of Mineral Resources. This should result in great savings as Mark-4 is easier to program and faster to use than the old Cobol System. The Mark-4 System is described as "user friendly" meaning it is easy for the layman to understand. Also for Mineral Resources a computer program to be used by the Office of Energy Conservation was developed. The program was used as part of a display that toured the province's summer fairs and exhibitions.

A project was undertaken for the Department of Continuing Education concerning the Kelsey Institute in Saskatoon. Also in Education, the Teachers' Superannuation Plan was automated for easier administration.

A project for the Revenue Division of Revenue, Supply and Services involved the first stages of new computerized consumption tax system. Also for Revenue, Supply and Services, a major study of word processing and office organization was undertaken.

The Department of Labour has divided the province into two regions for the purpose of administering the Apprenticeship and Standards Programs. A new data line entry system was developed to eliminate the need for two complete sets of records and makes it possible for one inspector to do the investigations under both programs.

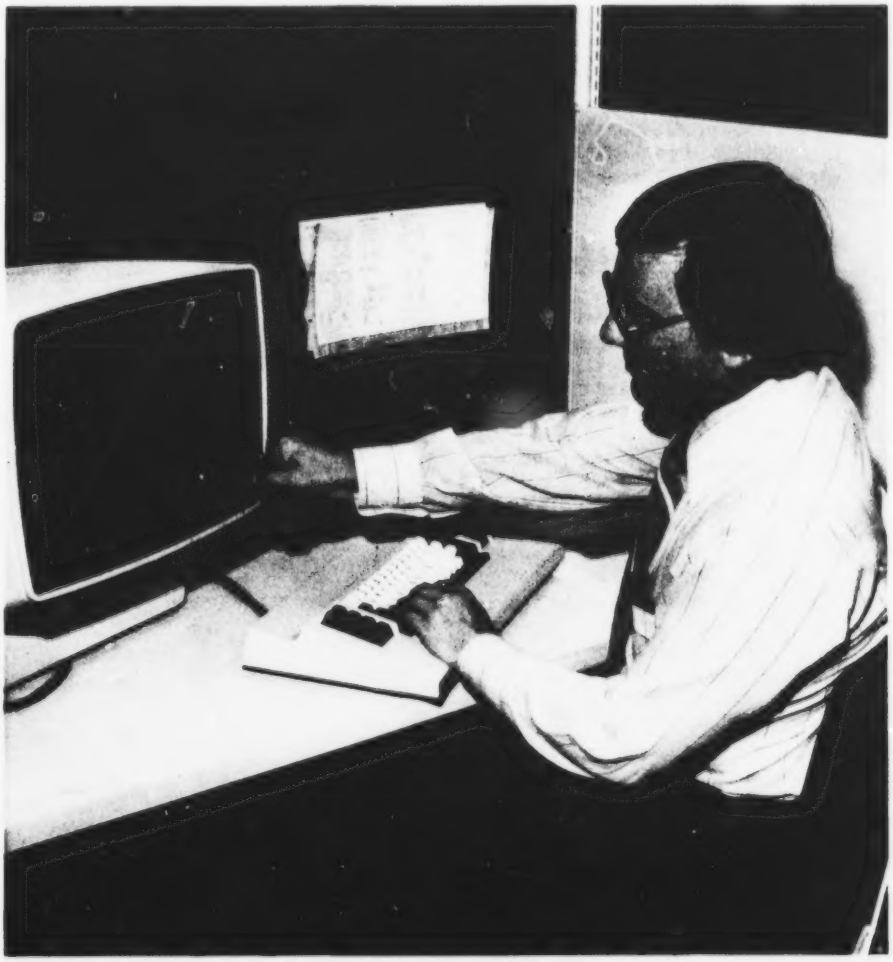
The Systems Centre developed and implemented the first phase of a Vehicle Inspection Program for the Highway Traffic Board.

A system involving the use of computers to monitor the effects of uranium mining on the quality of water was implemented for the Department of Environment.

A payroll system for the Cory Potash Mine was developed and implemented for the Potash Corporation of Saskatchewan.

A new system using distributed data processing was started for Social Services. This system will give on-line computer access to Correctional Centres throughout the province.

A camping permit system was developed and implemented for the Department of Northern Saskatchewan.



*Computer programming is a major aspect of systems work. In this photo Gerry Braconnier makes adjustments in a computer program under development.*

## 1980-81 Activities of the Support Services Branch

Support Services provides technical support and training. The Branch strives to keep abreast of the latest developments in computers, and passes this information on to Systems Centre employees. It is the nature of systems and computer work that this is a highly technical, rapidly developing field. The Branch provided initial training for 21 employees in three separate sessions. Close to 30 courses were acquired and administered by the training group resulting in 200 training sessions.

## Proposed Activities for 1981-82

The Systems Centre will implement an organizational change based on opportunities for improving the return on the government's investment in the system.

A computer-needs study for the four technical institutes within the province will be conducted for the Department of Continuing Education.

A feasibility study for an accounts receivable system for Tourism and Renewable Resources will be completed. In addition, the Big Game Draw System will continue to be updated.

The apprenticeship portion of the Apprenticeship and Standards System within the Department of Labour will be adopted by the Highway Traffic Board. This will generate statistical reports, inspection schedules, safety tickets and certificate inventories.

A project will be completed for Rural Affairs providing storage and retrieval of road construction statistics and the recording of provincial government grant payments to rural municipalities.

*On larger projects, a number of systems specialists may be called upon to pool their talents. David Lareau, Carole Stan and Doug Warne meet to evaluate progress on a joint project.*